### PUBLIC HEARING PROJECT SELECTION PROCESS

### **Description**

The purpose of this public hearing is to present the Project Selection Process and receive comments.

### **Background**

Transportation Code, §201.602 requires the commission to annually hold a hearing on its highway project selection process and the relative importance of the various criteria on which the commission bases its project selection decisions.

Transportation Code, §201.991 provides that the department shall develop a Unified Transportation Program (UTP) covering a period of 10 years to guide the development and authorize construction of transportation projects.

The commission has adopted rules located at Title 43, Texas Administrative Code, Chapter 16, governing the planning and development of transportation projects. The rules include guidance regarding the development of the UTP and any updates to the program, as well as public involvement requirements.

The public comment period opened on the date the notice of hearing was published in the Texas Register (January 6, 2012). Comments will be received until February 6, 2012, at 4:00 p.m.

### Criteria

Any future decisions will take into account data, comments, views, and testimony that are received during the public comment period.

#### Problem/Condition

None.

#### **Other Comments**

The 2013 Project Selection Process brochure describing the process is available on the TxDOT website at: <a href="http://www.txdot.gov/public\_involvement/utp.htm">http://www.txdot.gov/public\_involvement/utp.htm</a>.

### **Alternate Solutions/Actions**

None.

### **PROJECT SELECTION PROCESS**



**FINANCE DIVISION** 

# There are five typical steps in the project selection process:

### 1. A Need is Identified

Every project starts with an idea or need. The impetus for a project can come from any number of sources at the community, state or federal level. Once a need has been identified, project supporters usually approach TxDOT's local office or their local Metropolitan Planning Organization (MPO). Local authorities are especially familiar with the unique demands of their area and with the transportation needs of the people who live there.

Projects are selected by the Texas Transportation Commission (commission) based on the following project selection criteria: safety, maintenance and preservation of the existing system, congestion relief, access and mobility, economic vitality, efficient system management and operations and any additional transportation goals identified in the statewide long-range transportation plans. These projects must adhere to all department design standards as well as applicable state and federal law and regulations.

Some federally funded projects are selected by the MPOs in the state's larger metropolitan areas or those serving areas of the state designated as non-attainment air quality areas. These projects are also approved by the commission subject to the project selection criteria as stated above, and must comply with all applicable federal laws and regulations.

### 2. Building a Successful Financial Plan

Early in the planning process, the district staff, and MPO staff when appropriate, devise a funding strategy for the suggested project. The availability of funding is a major factor in determining whether a project is selected. Projects can be financed through a number of sources, including local funding, state funding (revenue from motor fuel taxes, registration fees, etc.), federal funding, debt financing, pass through financing, toll equity and public-private partnerships. Many projects are funded through a combination of resources.

At the local level, TxDOT, the MPO, local officials and the public evaluate the project and work together to develop a strong proposal. Local transportation professionals, including engineers, planners and environmental specialists, evaluate the project's viability and environmental implications. Different solutions are evaluated and costs are estimated.

TxDOT has 12 funding categories to fund various types of projects. These 12 categories of state and federal funding are summarized in the Unified Transportation Program, a 10-year plan to guide transportation project development and construction.

Federal funds come from the Federal Highway Trust Fund, a pool of money generated by federal fuel taxes and other related fees from all 50 states and the commonwealths of the

United States. Money from the Federal Highway Trust Fund is allocated to TxDOT based on formulas established by federal transportation legislation. State funds are generated by state motor fuel taxes, vehicle registration fees and a few other sources such as sales taxes on automobile grease and lubricants. The distribution of these state and federal funds throughout the state is based on criteria and funding formulas approved by the Texas Transportation Commission.

### 3. Planning Begins

Once a project is supported at the local level, it competes with similar projects for funding. Because projects are often funded through a combination of funding categories at a variety of authority levels, funding can be a complex task.

### 4. Project Development

Building a highway, bridge or other major transportation improvement is a complex, long-term process that involves the participation of both transportation professionals and the public. Local priorities, determined in the communities, form the basis for how projects move through the TxDOT selection process.

Public involvement is a critical part of the development process. Transportation planning, design and right of way acquisition are all primarily accomplished locally by TxDOT districts working with city and county officials. During this process, numerous public hearings and meetings give citizens many opportunities to offer input and be involved in the decision-making process.

Depending on a project's size and scope, project development can range from a few months for simple projects to several years for our most complex projects. Once authorized by the commission, a project goes through an in-depth development process that may include advanced planning, environmental planning and documentation, right of way acquisition and preliminary engineering. When planning and development are completed, the project is ready to proceed to construction. The commission makes the final decision to authorize the project for construction, based on the availability of funds and local priorities.

### 5. Construction

Construction contracts are awarded through a competitive bidding process, and the lowest qualified bid is submitted to the commission for approval. After award of the contract, construction begins. Once a project is fully underway, construction oversight and maintenance are accomplished at the TxDOT district and local level.

### **FUNDING AT A GLANCE**

Determining funding sources can be a complicated process for any project. This chart provides a general overview of the TxDOT funding categories. Local TxDOT district offices are experienced with project funding and can offer more detailed

information specific to a project. Each year, TxDOT funds projects through a comprehensive plan called the Unified Transportation Program utilizing these categories.

FUNDING CATEGORY	PROJECT SELECTION	USUAL FUNDING
1 - Preventive Maintenance and Rehabilitation	Projects selected by districts. Commission allocates funds through Allocation Program.	Federal 90% State 10% or Federal 80% State 20% or State 100%
2 - Metropolitan and Urban Area Corridor Projects	Projects selected by Metropolitan Planning Organizations (MPOs) in consultation with TxDOT.  Commission allocates funds through Allocation Program.	Federal 80% State 20% or State 100%
3 - Non-Traditionally Funded Transportation Projects	Project selection varies based on the funding source, such as Proposition 12, Proposition 14, Pass-Through Toll Finance, Regional Toll Revenue and Local Participation.	Federal 80% State 20% or State 100% or Local 100% Varies by agreement and rule
4 - Statewide Connectivity Corridor Projects	Projects selected by commission based on corridor ranking.  Project total costs cannot exceed commission-approved statewide allocation.	Federal 80% State 20% or State 100%
5 - Congestion Mitigation and Air Quality Improvement	Projects selected by MPOs in consultation with TxDOT and funded by districts' Allocation Program.  Commission allocates funds based on population percentages within areas failing to meet air quality standards.	Federal 80% State 20% or Federal 80% Local 20% or Federal 90% State 10%
<b>6 - Bridges</b> Federal Highway Bridge Program; Federal Railroad Grade Separation Program	Projects selected by the Bridge Division as a statewide program based on the Federal Highway Bridge Program and the Federal Railroad Grade Separation Program eligibility and ranking.  Commission allocates funds through Statewide Allocation Program.	Federal 90% State 10% or Federal 80% State 20% or Federal 80% State 10% Local 10%
7 - Metropolitan Mobility/Rehabilitation	Projects selected by MPOs in consultation with TxDOT. Funded by district's Allocation Program. Commission allocates funds according to the federal formula.	Federal 80% State 20% or Federal 80% Local 20% or State 100%
B - Safety Federal Highway Safety Improvement Program, Federal Railway-Highway Crossing Program, Safety Bond Program, Federal Safe Routes to School Program, and Federal High Risk Rural Roads	Projects selected statewide by federally mandated safety indices and prioritized listing. Commission allocates funds through Statewide Allocation Program. Projects selected and approved by commission on a per-project basis for Federal Safe Routes to School Program.	Federal 90% State 10% or Federal 90% Local 10% or Federal 100% or State 100%
9 - Transportation Enhancements	Local entities nominate projects and TxDOT, in consultation with FHWA, reviews them.  Projects selected and approved by commission on a per-project basis.  Projects in the Safety Rest Area Program are selected by the Maintenance Division.	Federal 80% State 20% or Federal 80% Local 20%
10 - Supplemental Transportation Projects State Park Roads, Railroad Grade Crossing Replanking, Railroad Signal Maintenance, Landscape Incentive Awards, Green Ribbon Landscape Improvement, Curb Ramp Program, Coordinated Border Infrastructure Program, Comprehensive Development Agreements and Congressional High Priority Projects	Projects selected statewide by Traffic Operations Division or Texas Parks and Wildlife Department or district.  Commission allocated funds to districts or approves participation in federal programs with allocation formulas.  Coordinated Border Infrastructure Program funds are allocated to districts according to the federal formula.	State 100% or Federal 80% State 20% or Federal 100%
11 - District Discretionary	Projects selected by districts. Commission allocates funds through Allocation Program.	Federal 80% State 20% or Federal 80% Local 20% or State 100%
12 - Strategic Priority	Commission selects projects which generally promote economic opportunity, increase efficiency on military deployment routes or to retain military assets in response to the federal military base realignment and closure report, or maintain the ability to respond to both man-made and natural emergencies. Also, the commission approves pass-through financing projects in order to help local communities address their transportation needs.	Federal 80% State 20% or State 100%

## PROJECT SELECTION: PUTTING GREAT IDEAS IN MOTION

Understanding TxDOT's project selection process helps Texans understand how the roads and bridges we drive on every day are selected for funding. Learning how projects are prioritized and how funding is structured helps Texans know how they can participate in the process, make suggestions and propose projects to address the transportation problems they face.

The Texas Transportation Commission has adopted rules located at Title 43, Texas Administrative Code, Chapter 16, governing the planning and development of transportation projects. The rules include guidance regarding the development of the Unified Transportation Program and any updates to the program, as well as public involvement requirements.

As the department continues to develop and enhance the project selection process, our goal is to provide the public with as many interaction opportunities as possible to help us seek new, innovative and creative ways to stretch available funds farther and do the most good for the people of Texas. The department will continue to deliver projects that address future multimodal transportation needs, enhance safety, maintain the existing transportation system, promote congestion relief and enhance system connectivity. The department will also continue to facilitate the development and exchange of comprehensive multimodal transportation funding strategies with transportation program and project partners.

For more information, contact your local TxDOT district office. You'll find a complete list of contact information on our Web site at <a href="http://www.txdot.gov/local\_information/">http://www.txdot.gov/local\_information/</a>

